



July 9, 2021

The Honorable Brian M. Cogan
United States District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11201

Re: *Sunbelt Rentals, Inc. v. Demand Electric, Inc., et al.*,
Case No. 1:21-cv-03136-BMC

Joint Letter pursuant to this Court's June 3, 2021 Scheduling Order (Doc. 6)

Your Honor:

Sunbelt Rentals, Inc. ("Sunbelt"), Demand Electric, Inc. ("Demand"), and Andreas Kourkouvelis (collectively the "parties") hereby submit this Joint Letter in advance of the Initial Status Conference on July 15, 2021 (*see* doc. 6).

Procedural Matters:

The parties have conferred in advance of the Initial Status Conference. The undersigned counsel for Defendants has agreed to accept service of process on Demand Electric, Inc. The parties have agreed to an extension of time for Mr. Kourkouvelis to file a responsive pleading and have agreed that both Defendants will respond to the Amended Complaint (doc. 9) on or before July 28, 2021.

Pursuant to this Court's Order, the parties will also complete the Case Management Plan prior to the Initial Status Conference.

Factual and Legal Basis for Sunbelt's Claims:

Sunbelt alleges that it is entitled to recover damages from Demand and Mr. Kourkouvelis based on Demand's failure to pay for construction equipment it rented from Sunbelt on credit. Demand rented the equipment on an open credit account that was established after Demand filed a credit application with Sunbelt. Mr. Kourkouvelis executed a personal guarantee on that application and thereby agreed to pay any amounts Demand incurs in connection with its open credit account.

Sunbelt alleges Demand is overdue on payments that were due as far back as June 2020. The total principal balance for these unpaid amounts is \$199,552.58. Sunbelt also alleges that under the credit application submitted by Demand and guaranteed by Mr. Kourkouvelis, it is entitled to recover service charges of 1.5% per month for any payments that are overdue. As of the date of the Amended Complaint, these service charges total \$26,839.21. Sunbelt also alleges that under

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the credit application and the rental contracts Demand agreed to each time it rented equipment, Sunbelt is entitled to recover attorneys' fees and costs of collection.

Sunbelt asserts that it is entitled to recover damages under theories of breach of contract, open account, breach of guaranty, and, alternatively, unjust enrichment. Sunbelt also asserts that it is entitled to recover attorneys' fees and costs of collection under the parties' contracts.

Defendants' Position:

Defendants deny any liability. Among other defenses, Defendants have disputed Plaintiff's services and its invoices, which have never been timely and contain numerous errors and misstatements.

Jurisdictional Bases for Sunbelt's Claims:

This Court has subject matter jurisdiction over this case because it is an action between citizens of different states, and because the amount in controversy exceeds \$75,000, exclusive of interests and costs. More specifically, Sunbelt is a citizen of North Carolina (its state of incorporation) and South Carolina (where it maintains its principal place of business). Defendant Demand is a citizen of New York (where it is incorporated and maintains its principal place of business), and Defendant Kourkoumelis is a citizen of New York (where he is domiciled). In its Amended Complaint, Sunbelt seeks recovery of an amount in excess of \$199,552.58, which was the principal balance on Demand's open account as of the date this action was commenced.

This Court has personal jurisdiction over both defendants because they are residents and citizens of New York. Additionally, the defendants transacted business in the state of New York, and those transactions form the basis of this action.

Contemplated Motions:

The parties do not presently contemplate any discovery-related or other non-dispositive motions. Sunbelt may file a motion for summary judgment following discovery.

[SIGNATURES ON FOLLOWING PAGE]

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Respectfully Submitted,



Derek Rajavuori

Attorney for Sunbelt Rentals, Inc.

Respectfully Submitted,

/s/ Martin Shell

Martin Shell

*Attorney for Demand Electric, Inc. and Andreas
Kourkoumelis*